

**FORM
INSP**

Rev
X/20

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

06/06/2025

Submitted Date:

06/09/2025

Document Number:

708906695

FIELD INSPECTION FORM

Loc ID 335687 Inspector Name: Smelser, Wayne On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

ECMC Operator Number: 10844
Name of Operator: QB ENERGY OPERATING LLC
Address: 1001 17TH STREET SUITE 1600
City: DENVER State: CO Zip: 80202

Findings:

- 36 Number of Comments
- 8 Number of Corrective Actions
- Corrective Action Response Requested

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

Contact Name	Phone	Email	Comment
QB Energy		ecmc.inspections@qb-energy.com	
Heil, John		john.heil@state.co.us	
Katz, Aaron		aaron.katz@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	
Longworth, Mike		mike.longworth@state.co.us	
Haverkamp, Curtis		curtis.haverkamp@state.co.us	
Popejoy, Dusty		dusty.popejoy@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
260568	WELL	PR	03/01/2019	GW	045-07868	UNOCAL 24-9DRD	PR
260569	WELL	TA	09/01/2021	GW	045-07856	UNOCAL 14-9D	TA
287571	WELL	PR	03/01/2019	GW	045-13000	UNOCAL-ENCANA 13D-9D	PR
287867	WELL	PR	06/01/2023	GW	045-13080	UNOCAL-ENCANA 14D-9D	PR
287882	WELL	PR	07/01/2024	GW	045-13083	UNOCAL-ENCANA 14B-9D	PR
287883	WELL	SI	02/01/2025	GW	045-13082	UNOCAL-ENCANA 14A-9D	SI
287884	WELL	PR	09/01/2019	GW	045-13081	UNOCAL-ENCANA 24D-9D	PR

General Comment:

CECMC Inspection/Audit Report Summary

On 06/06/2025 at approximately 11:22 hours, I, Compliance Specialist, Wayne Smelser
Conducted a follow up inspection/audit at QB ENERGY OPERATING LLC UNOCAL 2 696 Pad.
Location # 335687 in Garfield County Colorado.

Please refer to inspection 713400774 conducted on 03/04/2025, 3 of 5 previous corrective actions have been completed.
Location is within High Priority/Density/Black Bear Habitat areas & in close proximity to NSO Habitat area.
Location is approximately 94 yards from Granlee Ditch & approximately 309 yards from Parachute Creek.
While there, I observed normal production operations.

During this inspection/audit the following compliance issues were observed:

1. Housekeeping - Weeds/undesirable plant species in secondary containment with a CA date of 06/16/2025
2. Equipment - Mechanical Condition - Possible leaks on Unocal 14A-9D, 13D-9D, 14-9D & 24-9DRD wellheads with a CA date of 03/5/2025
3. Equipment - Mechanical Condition - Possible leak on UNOCAL-ENCANA 14D-9D wellhead with a CA date of 06/11/2025
4. Equipment - Unused flowlines do not comply with CECMC 600 & 1100 series rules with a CA date of 06/16/2025
5. Tanks & Berms - Tank failure - Tank damaged & multiple holes in tank/tank lacks integrity with a CA date of 07/09/2025
6. Tanks & Berms - Comply with CECMC Rule 608 f. (3) for partially buried tanks with a CA date of 06/16/2025
7. Inspected Facilities - Multiple wells lack wellbore diagrams/not in compliance with CECMC rules with a CA date of 07/09/2025
8. Stormwater - Lack of stabilization/compaction on location & lease road/insufficient tracking BMP's with a CA date of 03/05/2025

A follow up on this site inspection/audit needs to be conducted to ensure the compliance issues have been corrected to comply with CECMC rules.

This is a summary of inspection/audit report.

Any corrective actions from previous inspections/audits that have not been addressed are still applicable.

Location			
Lease Road:			
Type	Access		
comment:			
Corrective Action			Date:
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type	OTHER		
Comment:	Separator units include attached storage tanks. The sight glass located on the side of the units indicates the storage tanks are full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tanks.		
Corrective Action:			Date:
Type	BATTERY		
Comment:			
Corrective Action:			Date:
Type	WELLHEAD		
Comment:			
Corrective Action:			Date:
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:			Date:
Emergency Contact Number:			
Comment:	911/970-285-2615		
Corrective Action:			Date: _____
Good Housekeeping:			
Type	WEEDS		
Comment:	Weeds/undesirable plant species in secondary containment		
Corrective Action:	Oil and Gas Locations will be kept free of all Undesirable Plant Species		Date: 06/16/2025
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
In Containment: No _____			
Comment:			
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	OTHER		
Comment:	Liquid nitrogen tank - pipe rail fence		
Corrective Action:			Date:
Type	WELLHEAD		

Comment:	5 wellheads - pipe rail fence UNOCAL-ENCANA 13D-9D & UNOCAL-ENCANA 14A-9D - pipe rail fence & orange construction barrier fencing			
Corrective Action:			Date:	
Type	OTHER			
Comment:	Pig station - pipe rail fence			
Corrective Action:			Date:	
Type	SEPARATOR			
Comment:	Barbed wire fence			
Corrective Action:			Date:	
Type	TANK BATTERY			
Comment:	Barbed wire fence			
Corrective Action:			Date:	
Equipment:				corrective date
Type: Pig Station	# 2			
Comment:				
Corrective Action:			Date:	
Type: Ancillary equipment	# 1			
Comment:	Liquid nitrogen tank Unable to locate FORM 4 SUNDRY for Equipment/not in compliance with CECMC rules			
Corrective Action:			Date:	
Type: Bird Protectors	# 5			
Comment:				
Corrective Action:			Date:	
Type: Other	# 5			
Comment:	Multiple unused flowlines do not comply with CECMC 600 & 1100 series rules			
Corrective Action:	Comply with CECMC 600 & 1100 series rules		Date:	06/16/2025
Type: Plunger Lift	# 7			
Comment:	All wells on plunger lift			
Corrective Action:			Date:	
Type: Bradenhead	# 7			
Comment:	No form of pressure monitoring equipment located on bradenheads, bradenhead valves are accessible			
Corrective Action:			Date:	
Type: Horizontal Heated Separator	# 7			
Comment:				
Corrective Action:			Date:	
Type: Other	# 1			
Comment:	Mechanical Condition - Possible leak on UNOCAL-ENCANA 14D-9D well			
Corrective Action:	Comply with CECMC 400, 600 & 900 series rules Additionally contact CECMC Engineering Group to discuss observed compliance issue		Date:	06/11/2025

Type: Other	# 4	
Comment:	Mechanical Condition - Possible leaks on Unocal 14A-9D, 13D-9D, 14-9D & 24-9DRD wellheads	
Corrective Action:	All Production Facilities, valves, pipes, fittings, and vessels will be securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition. Additionally contact CECMC Engineering Group to discuss observed compliance issues.	Date: 03/05/2025
Type: Gas Meter Run	# 7	
Comment:		
Corrective Action:	Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	200 BBLs	STEEL AST		
Comment:	Partially buried tank				
Corrective Action:	Comply with CECMC Rule 608 f. (3) for partially buried tanks & pursuant to this rule provide the last 5 years testing records for both partially buried tanks on this location.				Date: 06/16/2025

Paint

Condition	Inadequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal					
Comment:	Weeds in secondary containment - please refer to Housekeeping for CA Separate containment				
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CONDENSATE	1	300 BBLs	STEEL AST		
Comment:	Tank failure - Tank damaged & multiple holes in tank/tank lacks integrity Additionally large hole in tank also constitutes a wildlife hazard				
Corrective Action:	Comply with CECMC 600 series rules				Date: 07/09/2025

Paint

Condition	Inadequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal				
Comment:	Separate containment			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	100 BBLs	STEEL AST		
Comment: Partially buried tank Comply with CECMC Rule 608 f. (3) for partially buried tanks & pursuant to this rule provide the last 5 years testing records for both partially buried tanks on this location.					
Corrective Action:					Date:
Paint					
Condition	Adequate				
Other (Content)					
Other (Capacity)					
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Earth					
Comment: Separate containment					
Corrective Action:					Date:
Venting:					
Yes/No	NO				
Comment:					
Corrective Action:					Date:
Flaring:					
Type					
Comment:					
Corrective Action:					Date:

Inspected Facilities

Facility ID: 260568 Type: WELL API Number: 045-07868 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420 Additionally the UNOCAL 14-9D, UNOCAL-ENCANA 13D-9D, UNOCAL-ENCANA 14D-9D, UNOCAL-ENCANA 14B-9D, UNOCAL-ENCANA 14A-9D & UNOCAL-ENCANA 24D-9D wells also lack wellbore diagrams/not in compliance with CECMC Rule 420	
Corrective Action:	Comply with CECMC Rule 420 & submit wellbore diagrams via FORM 4 SUNDRY or FORM 17	Date: <u>07/09/2025</u>

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 260569 Type: WELL API Number: 045-07856 Status: TA Insp. Status: TA

Idle Well

Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____		
Comment:	OUT OF SERVICE DESIGNATION - FORM 6A document # 403213733 Well lacks wellbore diagram/not in compliance with CECMC Rule 420	
Corrective Action:		Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 287571 Type: WELL API Number: 045-13000 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420	
Corrective Action:		Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 287867 Type: WELL API Number: 045-13080 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420	
Corrective Action:		Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 287882 Type: WELL API Number: 045-13083 Status: PR Insp. Status: PR

Producing Well

Comment:	Producing, well on plunger lift Well lacks wellbore diagram/not in compliance with CECMC Rule 420	
Corrective Action:		Date:

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 287883 Type: WELL API Number: 045-13082 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Shut In
Last produced September 2024
Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action: _____ Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 287884 Type: WELL API Number: 045-13081 Status: PR Insp. Status: PR

Producing Well

Comment: Producing, well on plunger lift
Well lacks wellbore diagram/not in compliance with CECMC Rule 420

Corrective Action: _____ Date: _____

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Rip Rap						Rip Rap Run underlain with geotextile
		Tracking Pad	Fail			BMP insufficient
Gravel	Fail					Insufficient gravel
		Berms				
Berms						
		Culverts				
Compaction	Fail					Lack of stabilization/Insufficient tracking BMPs
		Compaction	Fail			Lack of stabilization/Insufficient tracking BMPs
		Ditches				
Ditches						
		Gravel	Fail			Insufficient gravel
Check Dams						

Comment: [1. Lack of stabilization/compaction on location - BMP's have not been added to stabilize the working surface of the pad](#)
[2. Lack of stabilization/compaction on lease road - BMP's have not been added to stabilize the lease road](#)
[Tracking pad/BMP at the start of lease road has not been improved & remains insufficient](#)

Corrective Action: [Comply with CECMC Stormwater rules](#)

Date: 03/05/2025

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
Please refer to Housekeeping, Equipment, Tanks & Berms, Inspected Facilities & Stormwater for corrective actions.	smelserw	06/09/2025

Attached Documents

You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
708906696	Inspection/Audit 708906695 UNOCAL-ENCANA 14D-9D leak	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7088575
708906698	Inspection/Audit 708906695 UNOCAL-ENCANA 14A-9D leak	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7088576
708906699	Inspection/Audit 708906695 Stormwater photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7088577
708906700	Inspection/Audit 708906695 UNOCAL 24-9DRD leak	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7088578

708906701	Inspection/Audit 708906695 photo log	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=7088579
-----------	---	---